

May 24, 2006 - Slaughter Calls on OMB to Release Shirlington Limousine Records

FOR IMMEDIATE RELEASE

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Slaughter Calls on OMB to Release Shirlington Limousine Records
Taxpayer Dollars Going to Company Enmeshed in Duke Cunningham Bribery Scandal

Washington, DC - Rep. Louise M. Slaughter (D-NY-28), Ranking Member of the House Rules Committee, on Wednesday sent a letter to Office of Management and Budget (OMB) Acting Director Clay Johnson calling on him to immediately release all records and documents pertaining to more than \$25 million in federal contracts awarded to Shirlington Limousine and Transportation, Inc.

"It is outrageous that a company currently embroiled in a prostitution and bribery scandal has been awarded millions of taxpayer dollars," Rep. Slaughter said. "This company and its owner have a history of criminality and questionable business practices. The American taxpayers deserve to know what their money is paying for."

Shirlington Limousine has been connected to the Duke Cunningham bribery and prostitution scandal. Despite this, the company has in recent years received millions of dollars in contracts from the Department of Housing and Urban Development, the Department of Homeland Security, and the Federal Highway Administration.

BACKGROUND :

CONVICTED CUNNINGHAM-LINKED DEFENSE CONTRACTOR MITCHEL WADE IMPLICATED FELLOW CO-CONSPIRATOR BRENT WILKES IN LIMOUSINE & PROSTITUTION SCHEME: Mitchell Wade pleaded guilty in February to giving bribes of more than \$1 million to former Congressman Randy "Duke" Cunningham. Reportedly, Mr. Wade told federal investigators that "arrangements" for a limousine driver and prostitutes being driven to hotel suites in Washington were made by Mr. Brent Wilkes and two employees of Mr. Wilkes company. Mr. Wilkes has been confirmed as "Co-conspirator No. 1" in the federal criminal case involving the bribing of former Congressman Randy "Duke" Cunningham. [Scot J. Paltrow, "Prosecutors May Widen Congressional-Bribe Case," Wall Street Journal, 4/27/06]

SHIRLINGTON LIMOUSINE, A NORTHERN VIRGINIA FIRM, ASSISTED WILKES WITH WATERGATE "ENTERTAINMENT": Shirlington Limousine and Transportation, Inc., a firm based out of Arlington, Virginia, provided limousine services for Brent Wilkes "for whatever entertainment he had in the Watergate." [Dean Calbreth, "Co-conspirator's possible links to prostitutes eyed," San Diego Union Tribune, 4/28/06]

SHIRLINGTON LIMOUSINE WON A \$142,000 HUD CONTRACT: Aside from \$25 million in DHS contracts, Shirlington Limousine has also been awarded a half-million dollar HUD contract, as well as a \$519,823 Federal Highway Administration contract. [Ken Silverstein, "More Details on Shirlington Limousine," Harper's Magazine, 5/3/06]

SHIRLINGTON LIMOUSINE WON CONTRACTS WORTH \$25 MILLION FROM THE DEPARTMENT OF HOMELAND SECURITY: Shirlington Limousine won two transportation contracts from the Department of Homeland Security (DHS) in 2004 and in 2005 worth \$25 million. "The larger contract, worth as much as \$21 million over five years, was awarded in fall 2005 to provide shuttle service between Homeland Security Buildings and limo service for senior officials." [Charles R. Babcock and Jo Baker, "Limousine Firm Denies Allegations," Washington Post, 5/6/06]

PRIOR TO WINNING THE \$25 MILLION CONTRACT FROM DHS, SHIRLING LIMOUSINE LOST A CONTRACT FOR

"POOR SERVICE": Shirlington Limousine lost a contract for shuttle bus service with Howard University in 2002 "amid charges of poor service." Baker did not cite the Howard University contract on his for DHS contract "despite instructions to list recent contracts involving similar service." [Babcock and Baker, Washington Post, 5/6/06]

SHIRLINGTON PRESIDENT CHRISTOPHER D. BAKER'S EXTENSIVE CRIMINAL RAP SHEET: Shirlington Limousine's President, Christopher D. Baker, has a 62-page criminal rap sheet that runs from 1979 to 1989. [Ken Silverstein, "More Details on Shirlington Limousine," Harper's Magazine, 5/1/06 and 5/3/06]. Baker's criminal record "includes numerous misdemeanors and two felony convictions." [Babcock and Baker, Washington Post, 5/6/06]

SHIRLINGTON LIMOUSINE'S QUESTIONABLE BUSINESS PRACTICES: Shirlington Limousine reportedly operates in "a deliberately murky way." The firm operates "under at least four different names; in addition, the office addresses listed on its business filings regularly change. A number of those office addresses are actually at residential buildings or business suites, and calls to the listed phone numbers are taken by an answering service." [Ken Silverstein, "More Details on Shirlington Limousine," Harper's Magazine, 5/3/06]. The \$21 million contract from the DHS, referenced above, was challenged based on allegations that Shirlington Limousine "falsely claimed to be located in a poor neighborhood," which was apparently one of the preconditions based upon which that contract was awarded. [Babcock and Baker, Washington Post, 5/6/06]

FEDERAL PROSECUTORS ARE INVESTIGATING WHETHER OTHER MEMBERS OF CONGRESS OR THEIR STAFF MAY HAVE USED "FREE SERVICES" OF "PROSTITUTES," "LIMOUSINE AND HOTEL SUITES": "Besides scrutinizing the prostitution scheme for evidence that might implicate contractor Brent Wilkes, investigators are focusing on whether any other members of Congress, or their staffs, may also have used the same free services." [Scot J. Paltrow, Wall Street Journal, 4/27/06]

WILKES HAS ALSO BEEN LINKED TO TWO OTHER SENIOR HOUSE REPUBLICANS, WHO RECEIVED HUGE CAMPAIGN CONTRIBUTIONS WHILE WILKES WAS AWARDED MULTIMILLION DOLLAR PENTAGON CONTRACTS: Since 1994, Wilkes and his defense firm ADCS "gave \$40,700 in campaign contributions to Rep. Duncan Hunter, a San Diego Republican who now chairs the House Armed Services Committee. Hunter has acknowledged that he joined with Cunningham in 1999 to contact Pentagon officials who reversed a decision and gave ADCS one of its first big contracts, for nearly \$10 million." [Matt Kelley & Jim Drinkard, "Contractor spends big on key lawmakers," USA Today, 11/30/05] Wilkes has also been linked to another California Republican, Appropriations Committee Chairman Jerry Lewis, who "led panels that ordered the Pentagon to continue programs that aided ADCS when Pentagon officials wanted to cut them." Lewis received \$71,253 from Wilkes and his employees in donations since 1993. They met at "various events." [Kelley &

Drinkard, USA Today, 11/30/05]

Rep. Slaughter's letter to OMB is included below:

May 24, 2006

The Honorable Clay Johnson III

Acting Director and Deputy Director for Management

Executive Office of the President

The Office of Management and Budget

725 17th Street, NW

Washington, DC 20503

Dear Acting Director Johnson,

I am writing to you out of concern that federal contracts have been awarded to Shirlington Limousine and Transportation, Incorporated, a company allegedly engaged in illicit activities, including bribery, gambling, and prostitution. I am particularly troubled that the president of this company, Christopher D. Baker, may have provided federal officials with gifts or services in exchange for contracts.

To date, news reports have indicated that the Department of Housing and Urban Development, the Department of Homeland Security, and the Federal Highway Administration had awarded contracts to Shirlington Limousine. However, given the serious nature of the allegations against Shirlington Limousine, and the numerous connections Mr. Baker had with high-ranking federal officials, I believe it is imperative that any other federal contracts awarded to this company be thoroughly investigated.

As the Acting Director of the Office of Management and Budget, you are responsible for overseeing the procurement processes of all federal agencies, and ensuring the integrity of the contracts those agencies award. Therefore, I ask that you provide any and all information on other federal contracts awarded to Shirlington Limousine, release all communications in your possession with Members of Congress related to such contracts, and review the process by which those contracts were awarded. It is imperative that the full degree of Mr. Baker's relationships with officials and its impact on government contracts be investigated if we are to restore public confidence in the federal procurement process and guarantee that taxpayer dollars are not being improperly used.

I appreciate your attention to my request, and will await your response.

Sincerely,

Louise M. Slaughter

Member of Congress

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